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# How Do I ...



## Understand Customer Relationship Management

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### Introduction

Understanding Customer Relationship Management will help you get the most from your Sugar implementation.

Customer Relationship Management (CRM) is a set of technology-enabled business processes that enable you to create more consistent and profitable interactions with your customers.

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### Objectives

This guide will enable you to understand:

- [Customer Relationship Management](#)
  - [Customers Interactions](#)
  - [Challenges with Customer Interactions](#)
  - [How to Improve Customer-Facing Interactions](#)
  - [How to Automate Customer-Facing Processes](#)
  - [Your CRM Strategy](#)
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### What is Customer Relationship Management?

Most companies engage in some form of customer relationship management. When a company builds a customer list, assigns opportunities to sales representatives, or handles customer support cases, they are undertaking CRM-related activities.

CRM applications standardize, automate, and share these activities across organizations to improve how companies interact with their customers.

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### How Does Your Company Interact with Customers?

Before adopting a CRM application, companies should understand how they interact with customers in order to understand the benefits they can derive from CRM applications. Some questions to ask are:

- How do I segment prospects and present them with compelling marketing offers?
  - Does my sales force effectively manage opportunities and coordinate their sales process across individuals and teams?
  - How does my support organization handle customer issues?
  - Are my employees communicating effectively across teams and departments?
  - Does my management team have the insight across marketing, sales, and service to make the correct decisions?
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### Challenges with Customer Interactions

The graphic below illustrates some challenges companies face in key functional areas.

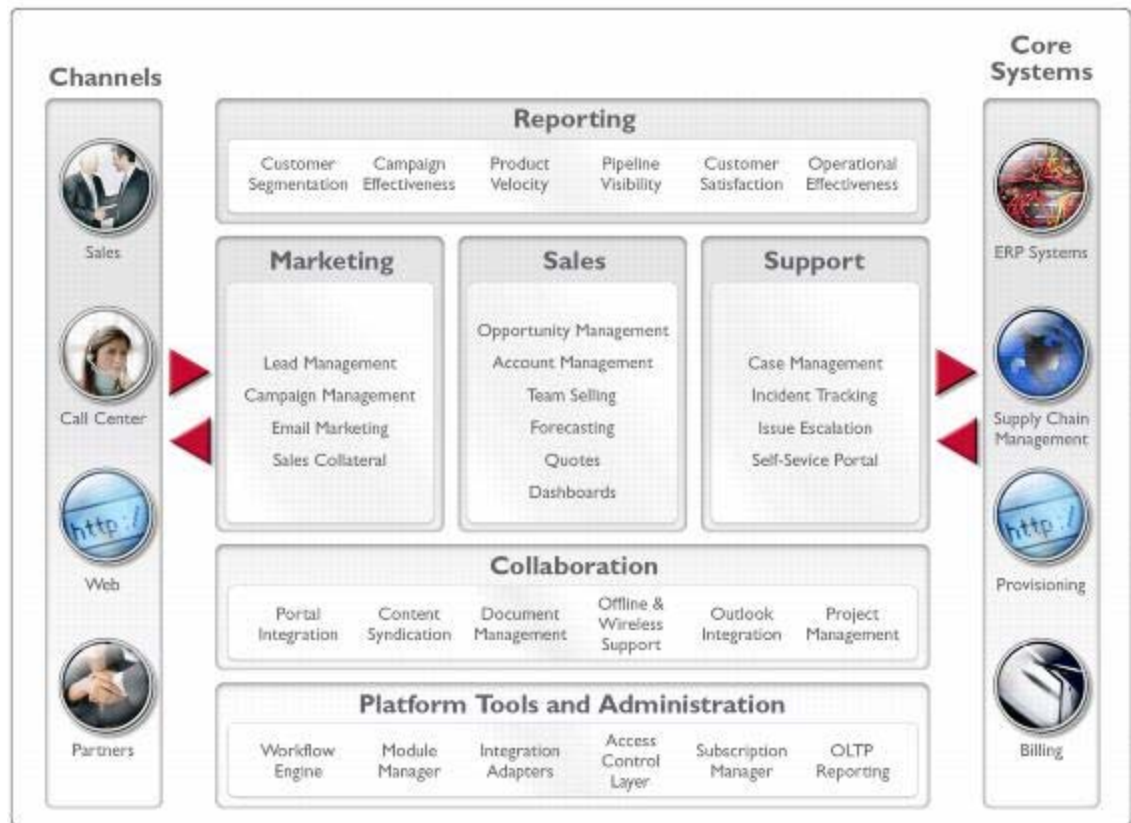


### Improving Customer Facing Interaction

CRM applications allow companies to improve customer-facing interactions across various channels; including sales, partner channels, the Web, and call centers.

To accomplish this, CRM systems often tie into other core systems that help to run the business; including accounting, order management, enterprise resource planning (ERP), manufacturing, provisioning and supply chain management systems.

The graphic below shows how CRM can manage important customer-facing functions across channels and systems.



### Automating Customer Facing Processes

CRM applications automate certain customer-facing processes and provide solutions around key functional areas to enable companies to interact with customers in a more consistent, structured approach. The solutions are described in the table below.

| Functional Area                     | Description                                                                                                                                                                                                                                                                 |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sales Force Automation (SFA)</b> | Improves sales performance by allowing sales representative to track and share opportunities, manage and up-sell into existing accounts, coordinate activities across teams, monitor pipeline stages through dashboards, and work offline with mobile solutions.            |
| <b>Customer Support</b>             | Improves customer relationships by helping support representatives track customer cases, manage product problems, respond to customer inquiries, and share customer service information across the entire organization.                                                     |
| <b>Marketing Automation</b>         | Allows companies to develop, launch, and track campaigns and other marketing offers to customers. Marketing automation integrates closely with Sales Force Automation to ensure leads are effectively passed between marketing and sales departments.                       |
| <b>Collaboration</b>                | Improves employee communications by integrating calendars, shared tasks, documents, product information, contracts (Professional and Enterprise editions) and other customer materials in a single location and making them accessible to employees in various departments. |

|                  |                                                                                                                                                                                                                                                                               |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Reporting</b> | Reporting tools capture the activities and business results of different lines of business and presents them to management in a readily understandable set of charts and reports. This provides company leaders with the information they need to make intelligent decisions. |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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CRM applications are an integral piece of the overall customer experience. These systems work best when a clear CRM strategy is in place. Building a true customer-centric organization requires companies to:

- CRM Strategy**
- Establish measurable business goals.
  - Align business and IT organizations.
  - Build executive sponsorship.
  - Allow business goals to dictate CRM customizations.
  - Solicit end users in product customizations.
  - Invest in training for end users.
  - Measure, monitor, and track results.

A CRM application should be part of a company's overall business strategy. Business alignment is key to user adoption and business success.

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**See Also** For further details please see the [Products](#) site at SugarCRM.com.

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